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PSC Needs to Reject We Energies' Ridiculous Rate Restructuring

Madison – Today State Senator Tim Carpenter (D-Milwaukee) called on the Public Service Commission to flatly reject We Energies' proposed rate increase that includes increasing the "fixed charge" paid by residential consumers.

It is reported that under the utility's plan, the fixed charge on customers' bills would rise by 75% from \$9 to \$16 per month. "We Energies' attempted cost shift to small consumers' 'fixed charge' rather than the amount a customer actually uses would put in place a perverse incentive to not save energy," said Carpenter.

"The incentive for being more energy efficient should be a *reduction* in our energy bills. The utilities' plan to shift higher fixed costs onto residential consumers is counterintuitive, counterproductive, and encourages waste. Given that manufacturing and other businesses are already treated at an advantage with their sales tax exemption on electricity, punishing residential consumer further for saving energy makes no sense," said Carpenter.

Carpenter noted that meteorologists and even The Farmers' Almanac are predicting that we could have a winter more bitter cold than even last year. "Given the more extreme weather predicted for Wisconsin, higher fixed costs imposed onto residential customers is the wrong direction to take," said Carpenter.

We Energies argues that customers who increasingly take advantage of renewable energy sources (such as solar power) might hurt their bottom line in the future, and that higher fixed charges to consumers are more fair. "As my late father would say, 'That's humbug!' This appears to be nothing but an attempt to use a public utilities' monopolistic power to stick it to small consumers to protect the revenue stream of a large profitable company," said Carpenter.

"The PSC should reject We Energies plan as both violating public policy and encouraging the waste of energy," said Carpenter.

Senator Carpenter's press releases are available for review at http://legis.wisconsin.gov/senate/sen03/news

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